INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1590 — Washington, D. C. — June 30, 1956

Canning Industry Takes Important Part in Ceremonies Commemorating 50th Anniversary of Food and Drugs Act

The canning industry enjoyed greater numerical representation at the all-day ceremonies in Washington June 27, commemorating the actual 50th anniversary of the passage by Congress in 1906 of the original Federal Food and Drugs Act than other industries affected by the law. Major contributions of the industry to the occasion, in addition to generous attendance of the events by N.C.A. members and staff, consisted of an address by Roy G. Lucks, president of the California Packing Corporation, acting as spokesman for canning in the afternoon industry session; the issuance to the membership of a message jointly signed by Food and Drug Commissioner George P. Larrick and Executive Secretary Carlos Campbell in a specially printed first-day cover envelope bearing first-day cancellation of the Pure Food and Drug commemorative stamp; services of H. Thomas Austern, Association Chief Counsel, as chairman of the Legal Advisory Committee to the program sponsors; and distribution of press and radio releases of highlights of Mr. Lucks' address by the N.C.A. Information Division.

The morning public session featured announcement by the Postmaster General's office of the commemorative stamp honoring Dr. Harvey W. Wiley, "Father of the Act," and tributes by representatives of women's clubs, labor and farm organizations, the Congress, and others. At the luncheon session awards were made to all living Food and Drug Commissioners, the Meat Inspection Branch of USDA, and to Mrs. Wiley.

The afternoon industry session featured, besides Mr. Lucks' address, speeches by representatives of the meat, drug, chemical, cosmetic and other food industries. The banquet in the evening was addressed by The Honorable Marion B. Folsom, Secretary of Health, Education, and Wel-

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Preliminary Planted Acreage of Vegetables for Processing

To June 15, the prospective planted acreage of nine vegetables for commercial processing totals 1.78 million acres, 9 percent more than last year's plantings of these crops, according to the Crop Reporting Board of USDA.

The June 15 indicated production of green peas for processing is for a crop of 530,360 tons, up 16 percent over last year's production.

Vegetables for Processing	1955	1956 Preliminary	Percent change from 1955
	(acres)	(acres)	
Beans, green lima	105,070	111,250	+ 6
Beans, snap	146,010	147,790	+ 1
Beets for canning	18,590	20,720	+11
Cabbage (contract)	7,680	9,820	+28
Corn, sweet	407,850	479,800	+18
Cucumbers for pickles	134,220	124,470	− 7
Peas, green	470,400	504,100	+ 7
Spinach (winter and spring)	25,110	25,070	....
Tomatoes	322,720	355,550	+10

Water Pollution Control

Legislation to extend and amend the Water Pollution Control Act was sent to the President for his signature on June 27. The action of Congress in approving a conference committee compromise of conflicting provisions of House and Senate bills concluded two years of consideration of proposals to continue the eight-year old law.

Generally the canning industry and particularly those in the industry charged with waste disposal and water use responsibilities had supported extension of the Act. The principal provisions of the law were reviewed in the INFORMATION LETTER of June 23, page 241.

QMC Requirements for 11 Canned Food Products

Tentative requirements for a group of canned food items from the 1956 pack to meet the requirements of the armed forces were announced June 28 by the Department of Defense.

The requirements cover canned snap beans, corn, lima beans, tomatoes, beets, apricots, pineapple, RSP cherries, peaches, and salmon.

Procurement will be effected by the various Market Center offices of the Army Quartermaster Market Center System,

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Canned Food Procurement To Be Discussed at Meeting

The Quartermaster Association will hold its annual convention at the Mayflower Hotel, Washington, D. C., on October 11 and 12 this year. Not only the sales personnel of food companies that engage in government business, but the administrative and legal staffs are being encouraged to attend this year's meetings which will review the new single manager concept of military supply and procurement, research developments in food preservation, plans for plant and civil defense, and contract changes resulting from Hoover Commission recommendations.

Membership in the Quartermaster Association is not necessary for attendance and participation in the general sessions on research and development matters nor at the special Seminar on Foods and Food Containers.

Fred C. Heinz, 1952 President of the N.C.A. and a vice president of the H. J. Heinz Company, is president of the Quartermaster Association. Milton E. Brooding of the California Packing Corporation has been designated as monitor for the Foods and Food Container Seminar at the convention. The Chairman of the N.C.A.

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50th Anniversary

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fare, and J. Fred G. Robertson, parliamentary assistant to Canada's Minister of Health and Welfare.

Sponsors of the all-day session were the Association of Food and Drug Officials of the United States, Association of Official Agricultural Chemists, The Food Law Institute, HEW, and USDA.

Following is the text of the N.C.A. press release on Mr. Lucks' speech:

Canned foods have increased a phenomenal 1,100 percent in the last half century, climbing from about 50 million cases of annual production to more than 625 million cases in 1955, it was pointed out by Roy G. Lucks, president of the California Packing Corporation and member of the N.C.A. Administrative Council.

Mr. Lucks was spokesman for the canning industry at a special session honoring the 50th anniversary of the passage by Congress on June 27, 1906, of the original Federal Food and Drugs Act.

The speaker pointed out that neither population increases nor the fact of greater general prosperity today could account solely for this striking gain in canned foods consumption, because the population has not quite doubled in 50 years and increased production of all kinds of consumer goods has kept pace with increased income.

"The greatest single factor in the phenomenal growth of the canning industry has been the gradual, but now universal recognition, not only of the convenience, but even more importantly, of the purity, wholesomeness, and nutritive value of canned food products. And there can be no doubt that public confidence in processed foods has been greatly strengthened by the informed and intelligent administration of our food and drug laws, in which the Food and Drug Administration, the National Canners Association, and the individual members of the canning industry have so effectively cooperated," Mr. Lucks stated.

He reviewed the canning industry's wholehearted support of the Federal Food, Drug, and Cosmetic Act over five decades and stated that this "reflects the attitude of all responsible factors in the industry toward the establishment and maintenance of high standards of quality and purity of all processed foods.

"It is one thing to respect and obey a law—even to obey it meticulously. But it is a striking and unique experience to encounter a regulated industry that joins wholeheartedly and without reservation in commemorating the enactment of the regulating statute.

"The most progressive elements in the food and drug industries, early in this century, cooperated with Dr. Harvey W. Wiley and others in the long and sometimes disheartening campaign to pass legislation against the improper preparation and preservation of foods," he said.

The joint efforts of these pioneers to obtain passage of the Act led to the formation of the N.C.A. in 1907, Mr. Lucks explained. One of the primary purposes of the new organization was to assist the new Food and Drug Administration in the discharge of its duties and responsibilities. "One of the first tasks that faced the Administration and the supporting canners was to educate both the industry and the consuming public; not only to acquaint them with the new laws and regulations, but also to convince them that these enactments were necessary and wholly in the public interest."

As a result, Mr. Lucks continued, research laboratories were established by the N.C.A. in Washington, in San Francisco (later moved to Berkeley), and in Seattle, and their functions and facilities have broadened over the years. This research work expands into institutions of higher learning, in most cases with cooperation and assistance of the N.C.A. and individual canners, he said.

"The N.C.A. laboratories quickly established effective working relations with the Food and Drug Administration, and the mutually cooperative spirit thus engendered has continued through the years. The N.C.A. technologists, on their part, have on many occasions developed technical information of benefit not only to the canning industry, but to the Food and Drug Administration and the consuming public as well."

Mr. Lucks cited examples of this scientific progress, among them the N.C.A. heat processing studies, contributing to knowledge of correct processing for the various canned foods. "Partly because of this more exact knowledge, applied to actual cannery operations, the modern housewife can buy canned foods with full confidence of their purity."

The speaker also cited the broad-scale program aimed at developing uniform standards of identity, quality, and fill of container, which "has the unqualified support of the great majority of canners, and this support is a key factor in making them enforceable and thus increasing consumer confidence in our products. Today most canners have their own technical and research staffs, and many of the larger concerns have extensive laboratories." One of the responsibilities of such technologists, he explained, is that of working with representatives of FDA in all matters of common interest, toward improvement of products and methods, and to anticipate, when possible, additional requirements that may result from new research findings.

"The paradox of the regulated industries enthusiastically joining in celebrating the original enactment of this regulatory statute derives in large measure from its intelligent and sensitive enforcement by career officials."

Earlier in the meeting Postmaster General Summerfield had announced issuance of a commemorative stamp honoring the food law anniversary. First-day covers, with first-day cancellations of the new stamp, were mailed June 27 to each of the members of the N.C.A. in 47 states and the Territories. The envelopes contained a message signed jointly by Executive Secretary Carlos Campbell of the N.C.A. and Food and Drug Commissioner Dr. George P. Larrick, honoring the anniversary and "the continuing friendly cooperative relationship between the Food and Drug Administration, and the canning industry."

The all-day meeting was sponsored by the Food Law Institute; Association of Food and Drug Officials of the United States; Association of Official Agricultural Chemists; U. S. Food and Drug Administration, Department of Health, Education, and Welfare; and Meat Inspection Branch, U. S. Department of Agriculture.

The Information Division distributed copies of the press release to the press table for the commemorative meetings, the National Press Club, the national wire services, certain metropolitan dailies, the canning industry trade journals, to the national radio-TV networks, and to certain radio and TV stations.

Following is the text of the letter which was enclosed in first-day cover envelopes mailed by N.C.A. to the headquarters office of each member:

"This communication has philatelic value. It is coming to you in a special first-day cover envelope bearing the Pure Food and Drug commemorative stamp, cancelled on the first day of issue. It celebrates an event of 50 years ago today, when the Congress of the United States passed what is popularly known now as the

'Food and Drugs' Act, which has meant so much to consumer acceptance of canned foods and to the progress of the canning industry.

"Farsighted canners near the turn of the century realized that their future business success depended upon development of an unquestioned confidence in canned foods, and this enlightened self-interest dictated their policies with respect to their own products. They realized, however, that the problem was to achieve public confidence for *all* canned foods. They felt that the consuming public's demand of its food is such that the good could not flourish in the midst of the bad; that continued public acceptance of the good depended on the maintenance of a consistently high level of operation. In other words, the development and maintenance of public confidence depends not on one man alone, but on every man in the industry who is packing canned foods.

"Not all canners were farsighted enough to share that view with the leaders of the industry at the beginning of the century. By 1906, however, a sufficiently large number of canners had come to realize this need. They supported the creation of a government agency whose hands would be joined with these pioneers to insure industry-wide production of canned foods that would win deserved public confidence. At the same time the canning industry established its own trade association, the National Canners Association, which has played an important part in aiding the industry in production of quality products. The N.C.A. also has contributed to the maintenance of the public's confidence in canned foods by preventing the spread of rumors and other gossip derogatory to the good name of canned foods.

"This 'good name' or deserved public confidence has been established through the intelligent action of canners with an enlightened self-interest on the one hand, and the FDA's ever watchful eye on the other.

"The canning industry and the Food and Drug Administration have thus worked together during a half century to assure the American housewife that she can buy canned foods with confidence and feel sure of receiving a product of recognized quality, in a properly filled container, with adequate labeling to supply her with the information she is entitled to have. This is an encouraging and inspiring illustration of how a great and diversified industry has been willing and able to work through the years with a regulatory agency, always with the purpose in mind of improving its products and the service it offers the public.

"Today we do honor to the Food and Drug Law of 1906, and to the continuing friendly and cooperative relationship between the Food and Drug Administration, and the canning industry.

"Sincerely,

"CARLOS CAMPBELL,
"Executive Secretary,
"National Canners Association
"GEORGE P. LARRICK,
"U. S. Commissioner of Food and Drugs"

QMC Requirements

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with headquarters at 226 West Jackson Blvd., Chicago 9, Ill.

Prepared by the Army QMC, the following estimated requirements, subject to modification, are listed to aid industry in planning 1956 production. Grades, types, and desired can sizes are indicated:

CANNED VEGETABLES

Item	Grade	Type	Can Size	Quantity (pounds)
Beans, Snap	B (Extra Standard)	I (round) or II (flat)	No. 303	5,408,000
			No. 10	17,085,000
			Total	22,493,000
Corn, whole grain	A (Fancy) or B (Extra Standard)	—	No. 303	5,155,000
			No. 10	19,472,000
			Total	24,627,000
Corn, cream style	A (Fancy) or B (Extra Standard)	—	No. 303	11,338,000
Beans, lima	B (Extra Standard)	I(a) Fordhook or I(b) Other than Fordhook	No. 303	2,004,000
			No. 10	9,044,000
			Total	11,048,000
Tomatoes	B (Extra Standard)	—	No. 303	9,766,000
			No. 10	29,574,000
			Total	39,340,000
Beets, sliced	A (Fancy)	—	No. 303	1,645,000
			No. 10	7,740,000
			Total	9,385,000

CANNED FRUITS

Item	Grade	Type	Can Size	Quantity (pounds)
Apricots	B (Choice)	—	No. 2½	925,000
			No. 10	5,072,000
			Total	5,997,000
Pineapple chunks or Tidbits	A (Fancy) or B (Choice)	—	No. 2½	978,000
			No. 10	3,440,000
			Total	4,418,000
Large whole slices	—	—	No. 2½	1,877,000
Medium whole slices	—	—	No. 10	6,902,000
			Total	8,779,000
Crushed	—	—	No. 2½	1,380,000
			No. 10	7,404,000
			Total	8,784,000
Cherries, red sour, pitted	A (Fancy) or C (Standard)	I(a) Water Pack	No. 303	790,000
			No. 10	9,534,000
			Total	10,324,000
Peaches	B (Choice)	I Yellow Clingstone or II Freestone	No. 2½	2,070,000
			No. 10	14,321,000
			Total	16,391,000

CANNED FISH

Salmon (Coho or medium red)	—	—	No. 1 Tall	5,201,000

Federal Seed Act Regulations

The USDA has amended its regulations under the Federal Seed Act so as to provide lower standards of germination of some varieties of garden beans.

The amendments, which will go into effect July 28, lower the germination standard from 75 percent to 70 percent for the following varieties of garden beans: Improved Tendergreen (Resistant Tendergreen), King Green, Processor, Ranger, Seminole, Tenderbest, Tenderlong 15, Topmost, Wade, White-seeded Tendergreen, and Woodruff's Hyscore. This change puts these varieties in the same germination group as Rival, Topcrop, and Logan.

Text of the amendment was published in the *Federal Register* of June 27.

Green Peas for Processing

The 1956 indicated production of green peas for processing is 530,360 tons, according to the Crop Reporting Board of USDA. This estimate, which is based on conditions as of June 15, compares with 455,910 tons produced in 1955 and an average of 439,410 tons produced during the 1945-54 period.

The preliminary estimate of acreage for harvest in 1956 is 474,900 acres. This compares with 435,200 acres harvested in 1955 and an average of 429,080 acres for the 1945-54 period. In arriving at the estimate of acreage for harvest in 1956, allowance was made for abandoned acreage and diversion to dry or seed peas about in line with the average abandonment and diversion for recent years.

The indicated 1956 yield per acre based on June 15 conditions is 2,233 pounds per acre. This compares with 2,095 pounds obtained in 1955 and an average of 2,040 pounds for the 1945-54 period.

State	10-year ave. 1945-54	1955	1956 Indicated	Percent change from 1955
	(tons, shelled)			
Maine	6,020	8,850	6,930	− 22
N. Y.	24,580	19,520	17,940	− 8
Pa.	16,850	14,930	15,640	+ 5
Ohio	2,610	1,690	1,120	− 34
Ind.	3,540	2,830	2,300	− 19
Ill.	25,110	40,600	36,500	− 10
Mich.	5,360	5,610	5,510	− 2
Wis.	132,520	129,760	122,850	− 5
Minn.	44,380	61,380	61,000	− 1
Iowa	3,700	4,560	2,800	− 39
Del.	2,380	5,250	7,500	+ 43
Md.	10,200	12,920	12,500	− 3
Va.	1,730	2,010	2,520	+ 25
Idaho	9,780	14,100	19,200	+ 36
Colo.	3,230	800	1,980	+148
Utah	14,140	9,770	9,570	− 2
Wash.	64,720	62,130	102,600	+ 65
Ore.	50,820	38,640	71,500	+ 85
Calif.	8,560	14,110	21,980	+ 56
Other states[1]	9,170	6,450	8,420	+ 31
U. S. Total	439,410	455,910	530,360	+ 16

[1] Ark., Kans., Mo., Mont., Nebr., N. J., Okla., Tenn., W. Va., and Wyo.

Sweet Corn for Processing

The 1956 acreage of sweet corn planted for processing in 1956 is estimated at 479,800 acres by the Crop Reporting Board of USDA. This preliminary estimate compares with 407,850 acres planted in 1955 and an average of 496,100 acres for the 1945-54 period.

If abandonment of about 7 percent is assumed, there will be 446,200 acres harvested in 1956. This compares with 389,520 acres harvested in 1955 and the average harvested acreage of 463,280 acres.

Plantings of Bantam and other yellow varieties in 1956 are expected to total 429,420 acres, compared with 365,990 acres last year; Country Gentleman 38,400 acres, compared with 29,250 acres last year; Evergreen and narrow grain 3,660 acres, compared with 8,980 acres last year; and other white varieties 8,320 acres, compared with 3,630 acres last year.

State	10-year ave. 1945-54	1955	1956 Preliminary	Percent change from 1955
	(acres)	(acres)	(acres)	
Maine	10,240	3,700	5,200	+41
N. H.	460	430	450	+ 5
Vt.	860	670	600	−10
N. Y.	27,090	16,700	21,000	+26
Pa.	12,270	13,000	14,000	+ 8
Ohio	16,860	7,200	8,000	+11
Ind.	33,260	17,200	18,900	+10
Ill.	67,580	57,400	63,400	+10
Wis.	105,480	98,300	123,900	+26
Minn.	87,130	94,000	102,500	+ 9
Iowa	34,090	19,600	22,100	+13
Del.	4,720	3,700	6,100	+65
Md.	38,070	27,600	31,800	+15
Idaho	9,820	7,600	9,400	+24
Utah	5,420	4,600	5,100	+11
Wash.	14,270	10,000	14,800	+48
Ore.	12,560	12,000	17,300	+44
Other states[1]	15,930	14,150	14,950	+ 6
U. S. Total	496,100	407,850	479,800	+18
For canning and other processing	[2]435,080	355,640	415,670	+17
For freezing	[2]71,130	52,210	64,130	+23

[1] Ark., Calif., Colo., Mich., Mont., Nebr., N. J., Okla., S. D., Tenn., Texas, Va., and Wyo. [2] Two-year ave. 1953-54; estimates not available prior to 1953.

Snap Beans for Processing

A total of 147,790 acres of snap beans will be planted for processing in 1956, according to the Crop Reporting Board of USDA. This preliminary estimate of the 1956 plantings compares with 146,010 acres planted in 1955 and an average of 130,540 acres for the 1945-54 period.

If abandoned acreage equals 4 percent, in line with the average for the past 10 years, about 141,900 acres will be harvested. This compares with 138,690 acres harvested last year and the average of 124,750 acres.

Of the 147,790 acres planted, it is estimated that 124,845 acres were green varieties and 22,745 acres wax varieties. The corresponding acreages last year were 126,620 acres of green varieties and 19,390 acres wax varieties.

The acreage indicated for canning is 114,640 acres, up 3 percent from the 111,560 acres planted last year but still below the 1954 record of 125,280 acres. The acreage indicated for freezing this year is 33,150 acres, 4 percent less than the 34,450 acres planted last year.

State	Green 1955	Green 1956 Preliminary	Wax 1955	Wax 1956 Preliminary
	(acres)	(acres)	(acres)	(acres)
Maine	870	840	1,430	1,360
N. Y.	24,300	26,000	8,100	10,140
Pa.	3,850	4,400	1,350	1,100
Mich.	5,160	5,920	1,540	1,580
Wis.	10,360	12,400	5,340	6,100
Mo.	.....	.....	.....	.....
Del.	3,100	3,070	.....	30
Md.	9,500	9,540	400	1,060
Va.	5,000	4,000	.....	.....
N. C.	2,000	1,900	.....	.....
S. C.	800	900	.....	.....
Ga.	.....	.....	.....	.....
Fla.	11,300	10,000	.....	.....
Tenn.	5,800	5,500	.....	.....
Miss.	1,000	700	.....	.....
Ark.	3,600	3,100	.....	.....
La.	1,400	1,050	.....	.....
Okla.	3,500	2,800	.....	.....
Texas	11,000	10,000	.....	.....
Colo.	1,300	1,290	200	210
Utah	580	470	20	30
Wash.	2,080	1,970	20	130
Ore.	9,980	9,580	520	720
Calif.	4,000	3,100	.....	.....
Other states[1]	6,140	6,260	470	280
U. S. Total	126,620	124,850	19,390	22,740

[1] Ala., Idaho, Ill., Ind., Iowa, Ky., Minn., Nebr., N. H., N. J., N. M., Ohio, Vt., and Wyo.

Cucumbers For Pickles

The acreage planted to cucumbers for pickles this year is 124,470 acres, according to the preliminary estimate of the Crop Reporting Board of USDA. This is 7 percent less than the 134,220 acres planted last year and 14 percent below the average of 144,140 acres for the preceding 10-year period.

If 124,470 acres are planted and 8 percent is lost or abandoned in 1956, in line with recent years, there will be about 114,500 acres for harvest. This compares with 126,200 acres harvested last year and an average of 131,460 acres for the 1945-54 period.

The preliminary estimate of planted acreage in Michigan, the leading producer, is 37,500 acres, the same as was planted last year. Wisconsin, the next producer, expects plantings to amount to 18,400 acres, 2 percent below last year's plantings.

QM Association Convention

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Procurement Committee, Alfred J. Stokely, vice president of Stokely-Van Camp, Inc., will report at the Seminar on behalf of the Fruit and Vegetable Committee of the Quartermaster Association.

Messrs. Heinz, Brooding, and Stokely invite all canners to advise them, by writing N.C.A., of any particular subjects they wish discussed at the convention meetings and to submit any special questions they wish answered concerning the military procurement of canned foods. In order for official answers to be prepared, questions should be submitted no later than September 1.

Registration and hotel reservation requests should be mailed to the Quartermaster Association, 1026 17th Street, N. W., Washington 6, D. C.

Wholesale Distributors' Stocks of Canned Foods

A report on stocks of 20 canned foods in the hands of wholesale distributors on June 1 has been issued by the Bureau of the Census, U. S. Department of Commerce.

Most of the canned foods covered in this survey showed reductions in stocks from June 1 a year ago. The only increases from a year ago were recorded for apricots, up 29 percent, and RSP cherries, up 15 percent.

Fruits—Decreases in stocks from June 1, 1955, to June 1 of this year ranged from 5 percent for pears and pineapple to 11 percent for fruit cocktail. Stocks of peaches and applesauce were at about the same level as a year ago.

Compared with the stocks on April 1, most fruits showed reductions. However, distributors' stocks of fruit cocktail were up 5 percent and stocks of pineapple were unchanged.

Vegetables—Distributors' stocks of the four vegetables covered in the June 1 report were below those of a year ago and of April 1. Stocks of corn were down 15 percent from a year ago and 9 percent since April 1. Peas were down 5 percent from the carryover date last year and down 13 percent since April 1. Stocks of green and wax beans were reported 10 percent below June 1 of last year and 14 percent below April 1. Sauerkraut stocks were reduced 16 percent in the last two months but were only 3 percent below a year ago.

Juices—Stocks of all three citrus juices and of pineapple juice were 5 to 16 percent below year-ago levels. Compared with April 1, stocks of grapefruit juice and pineapple juice increased slightly, while stocks of citrus blend and orange juice declined slightly during the same period.

Commodity	June 1, 1955	April 1, 1956	June 1, 1956
	(*thousands of actual cases*)		
Vegetables:			
Beans, green and wax	3,248	3,387	2,909
Corn	4,517	4,230	3,835
Peas	3,329	3,643	3,155
Sauerkraut	691	796	672
Fruits:			
Apples	n.a.	492	446
Applesauce	1,272	1,377	1,260
Apricots	542	806	701
Cherries, red pitted	466	599	536
Cherries, sweet	n.a.	n.a.	295
Fruit cocktail*	1,644	1,397	1,462
Grapefruit segments	n.a.	511	454
Peaches	2,947	3,378	2,956
Pears	1,169	1,144	1,113
Pineapple	1,952	1,850	1,850
Plums	n.a.	n.a.	293
Juices:			
Citrus blends	550	515	501
Grapefruit	1,130	1,047	1,077
Orange	1,566	1,490	1,319
Pineapple	1,164	1,064	1,074
Fish:			
Maine sardines	n.a.	268	160

n.a.—not available. * Includes fruits for salad and mixed fruits (except citrus).

Trip-leasing of Trucks

The House Interstate Commerce Committee on June 24 reported a bill, S. 898, which would authorize private carriers to trip-lease motor vehicles used regularly in the transportation of perishable agricultural and fishery commodities.

However, as passed by the Senate and reported to the House, the bill would not authorize trip-leasing of trucks of a private carrier which are used in hauling canned foods.

The legislation would accomplish its purpose by denying the ICC authority to regulate the terms of leases for the use of certain trucks engaged in agricultural hauling. The three classes of motor vehicles to be exempted from ICC regulation, if they are to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which the vehicle is based, are:

(1) A motor vehicle controlled and operated by any farmer when used in transportation of his agricultural commodities or products thereof, or in the transportation of supplies to his farm;

(2) A motor vehicle controlled and operated by a cooperative association or by a federation of such cooperative associations; and

(3) A motor vehicle of a private carrier, used regularly in the transportation of perishable agricultural or fishery commodities, not including manufactured products thereof, or perishable products manufactured from perishable products of a character embraced within Section 203(b)(6) of the ICC Act.

Meeting of Competition

A subcommittee of the Senate Judiciary Committee opened hearings June 21 on Robinson-Patman Act amendments dealing with the meeting of competition. Specifically, the subcommittee under the chairmanship of Senator Kefauver (Tenn.), has under consideration the House-passed bill, H.R. 1830, a companion bill S. 11, and S. 780, a bill introduced by Senator Capehart (Ind.). H.R. 1830 and S. 11 were reviewed in the INFORMATION LETTER of June 16, page 235. The intent of these bills, according to their sponsors, is to narrow the application of the "good faith" defense to a charge of price discrimination by barring its use should a case arise where meeting a lower price may have the effect of substantially lessening competition or tending to create a monopoly.

The Capehart bill, on the other hand, would continue in effect the decision of the Supreme Court in the Standard Oil (Indiana) case that meeting the lower price of a competitor in good faith is a complete defense to a charge of price discrimination under the Robinson-Patman Act. The Capehart bill also provides that it would not be a violation of the Robinson-Patman Act or the Federal Trade Commission Act for a "seller acting independently, to sell at delivered prices, or to absorb freight to meet in good faith an equally low price of a competitor."

The Senate subcommittee hearings received testimony in support of S. 11 and H.R. 1830 from representatives of small business groups, retail and wholesale grocer associations, the Farmers Union and the Cooperative League, and the National Food Brokers Association. Senators Long (La.) and Sparkman (Ala.) and Commissioner William C. Kern of the Federal Trade Commission also have supported S. 11 and H.R. 1830.

Among those thus far opposing the legislation have been witnesses representing manufacturing and distributor associations in the paper and pulp, petroleum, and steel industries and the Chairman of the Federal Trade Commission, John Gwynne.

Status of Legislation

Agricultural trade development—H. R. 11708, to increase the authorization under P. L. 480 (83d Congress) from $1.5 to $3 billion, was reported by the House Agriculture Committee June 18. A similar bill, S. 3903, was ordered reported by the Senate Agriculture Committee June 20.

Alaskan fisheries—H. R. 8405, to transfer supervision of Alaskan fish and game from the Interior Department to the Territorial Government, is pending before the House Interior Committee. No action scheduled.

Anti-merger legislation—A bill, H. R. 9424, which would require prenotification of certain mergers and permit preliminary injunctions to restrain mergers, was passed by the House April 16 and was the subject of public hearings by the Senate Judiciary Subcommittee on Antitrust and Monopoly May 23-June 2.

Customs simplification—H. R. 6040, to revise the method by which the value of imported merchandise is determined for customs evaluation, was passed by the House June 22, 1955, and was the subject of hearings by the Senate Finance Committee June 25-27.

Farm labor housing—H. R. 9600, to provide for amortization deductions with respect to housing facilities for agricultural workers, is pending before the House Ways and Means Committee.

Farm workers transportation—S. 3391, providing for ICC regulation of interstate transportation of migrant agricultural workers, was passed by the Senate May 1 and was the subject of hearings by House Interstate and Foreign Commerce Committee May 18.

FDA chemical additives—Hearings on bills to regulate the use of chemical additives in food were concluded Feb. 14, but House Committee has not considered subject in executive session.

FDA codification—H. R. 6991, to revise, codify, and enact into law Title 21 of the U. S. Code entitled "Food, Drugs, and Cosmetics," was passed by the House and is pending before the Senate Judiciary Subcommittee on Revision and Codification.

FDA imitation food—H. R. 3692, to prohibit the interstate marketing of any "imitation" of a standardized food product, even though the imitation product is plainly labeled as such, is pending before the House Interstate Commerce Committee.

Fisheries education—S. 2379, authorizing federal funds for scientific and vocational fisheries education, was passed by the Senate on May 21. H. R. 10433, a similar bill, was reported, with amendments, by the House Merchant Marine and Fisheries Committee June 26.

Fisheries policy and program—S. 3275, to create a five-man "United States Fishery Commission" for formulation of federal fisheries policy, was passed by the Senate on May 24. The White House has directed the Secretary of the Interior to create a "Bureau of Fisheries" on July 1. H. R. 11570, to put fisheries activities under a "Bureau of Commercial Fisheries," and for other purposes, was reported by the House Merchant Marine and Fisheries Committee June 28.

Import quotas—H. R. 8954 and other bills to establish an import quota mechanism are pending before the House Ways and Means Committee.

Marketing orders—cranberries—S. 2983 and H. R. 8384, to bring cranberries for canning under the orders provisions of the Agricultural Marketing Agreements Act, was the subject of public hearings by a House Agriculture Subcommittee June 5. No action is planned by the Senate Agriculture Committee on S. 2933.

Marketing orders—potatoes—H. R. 9484 and S. 3262, to establish a national marketing control including potatoes for canning, were introduced Feb. 22. No action scheduled.

Negotiated procurement—House-passed H. R. 8710 is pending before the Senate Armed Services Committee. No action scheduled.

OTC—H. R. 5550, authorizing U. S. participation in OTC, was reported by House Ways and Means Committee, with amendments, April 18.

Poultry inspection—Bills providing compulsory inspection of poultry and poultry products were the subject of hearings by a Senate Labor Subcommittee May 10 and by a Senate Agriculture Subcommittee June 18-19 and 26.

Robinson-Patman Act—H. R. 1840, providing for a good faith defense, was passed by the House June 11. A similar bill, S. 11, is the subject of hearings begun by a Senate Judiciary Subcommittee June 21 and still under way (see story, page 249).

Social security—H. R. 7225, extending benefits under the federal social security program, was passed by the House July 19, 1955, and reported by the Senate Finance Committee, with amendments, June 5.

Statehood—H. R. 2535, to provide statehood for Alaska and Hawaii, was recommitted to the House Interior and Insular Affairs Committee.

Trip-leasing—S. 898, to limit the authority of the ICC to regulate the duration of trip leases for carriers of perishable agricultural and fishery products, was passed by the Senate March 28 and was reported by the House Interstate and Foreign Commerce Committee, with an amendment, June 27 (see story, page 249).

Wage-hour coverage—Senate Labor Subcommittee held public hearings May 8-18 on all measures to extend coverage under the Fair Labor Standards Act. Subcommittee chairman transferred from the Labor Committee; no further action scheduled.

Waste disposal—The House Ways and Means Committee has taken no action on a number of bills to allow the rapid amortization of waste disposal facilities and treatment works.

Water pollution—A conference report on S. 890, to extend and amend the Water Pollution Control Act, was adopted by the Senate and House June 27 and cleared for the President (see story, page 245).

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